



JANET NAPOLITANO
GOVERNOR

STATE OF ARIZONA
DEPARTMENT OF VETERANS' SERVICES
4141 NORTH THIRD STREET
PHOENIX, ARIZONA 85012
TELEPHONE: (602) 255-3373 FAX: (602) 255-1038

PATRICK F. CHORPENNING
DIRECTOR

September 18, 2003

Dennis L. Mattheisen, CPA
Financial Audit Director
Office of the Auditor General
2910 N. 44th Street, Suite 410
Phoenix, AZ 85007

Dear Mr. Mattheisen:

We have reviewed the Auditor General's procedural review report and appreciate the opportunity to respond to the three findings noted.

The Department should promptly prepare wards' final accounting reports

The department concurs with the Auditor General's finding and will implement the recommended procedures to ensure estates are distributed in a timely manner.

The Department's capital assets should be physically controlled

The department concurs with the Auditor General's finding and will implement the recommended procedures to ensure assets are physically controlled and an accurate capital assets listing is maintained.

The Department should ensure federal grants are recorded on the State's accounting system

The department concurs with the Auditor General's finding and will implement the recommended procedures to ensure federal expenditures are properly accounted for on the state's accounting system.

Should you have any questions or need additional information, please do not hesitate to contact me. Thank you.

Sincerely,

Gary Noviello
Assistant Director